
5A

Information

Fiscal Policy and Planning Committee

Update on the Fiscal Year 2003-04 Budget Act

Executive Summary: This agenda item is intended to inform the Members of the Commission on the salient points of the Commission's portion of the 2003-04 Budget Act.

Recommended Action: Information

Presenter: Leyne Milstein, Director, Information Technology and Support Management Division

Update on the Fiscal Year 2003-04 Budget Act

Introduction

This item is intended to inform the Members of the Commission on the salient points of the Commission's portion of the current 2003-04 Budget Act.

Background

At the time this agenda item was prepared, there were no significant developments on the Commission's budget. As new developments occur during the budget process, staff will provide members of the Commission with an update at the Commission meeting.

5B

Information

Fiscal Policy and Planning Committee

Update on the Fiscal Year 2004-05 Proposed Governor's Budget

Executive Summary: This agenda item is intended to inform the Members of the Commission on the salient points of the Commission's portion of the 2004-05 Proposed Governor's Budget.

Recommended Action: Information

Presenter: Leyne Milstein, Director, Information Technology and Support Management Division

Update on the Fiscal Year 2004-05 Proposed Governor's Budget

Introduction

This item is intended to inform the Members of the Commission on the salient points of the Commission's portion of the 2004-05 Proposed Governor's Budget.

Background

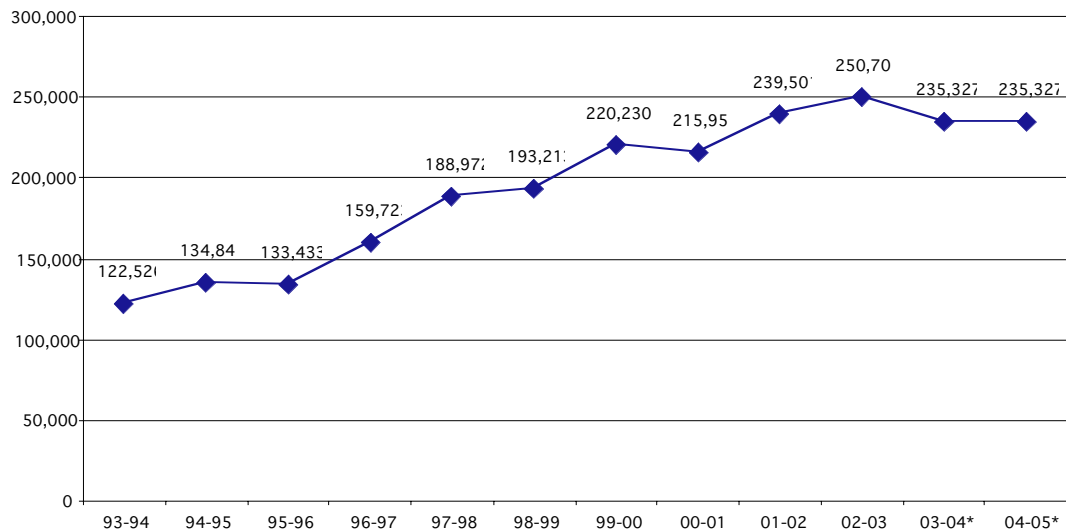
At the time this agenda item was prepared, there were no significant developments on the Commission's budget for the 2004-05 Proposed Governor's Budget. However at the request of Department of Finance the Commission staff prepared the following document in an effort to provide additional information related to the continuing revenue discussion.

Staff is available to answer any questions you may have.

Introduction to Matrix

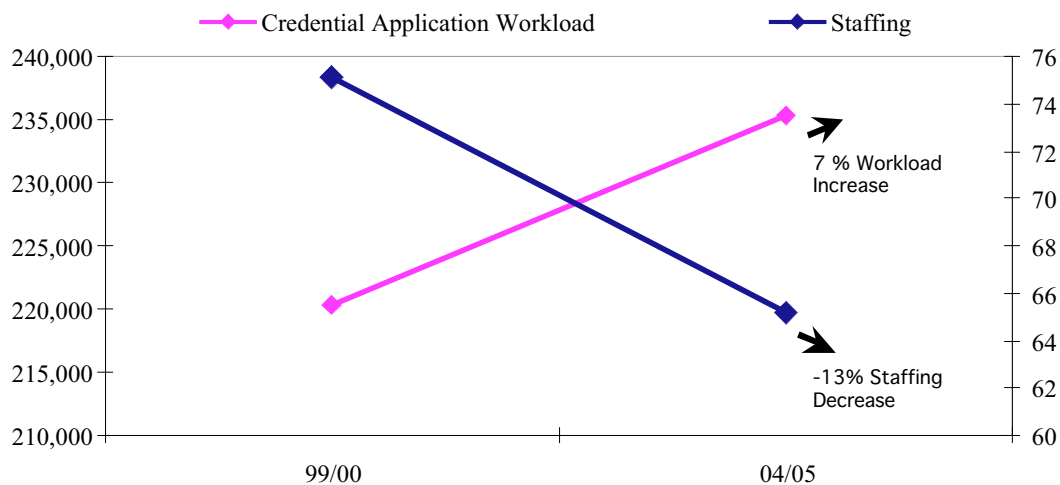
While at the current time workload associated with credential counts is down (7% year to date) from the same time last year, the overall volume of applications remains significantly above the pre-Class Size Reduction numbers. In fact, since 1996, credential volume has increased from 159,723 to 235,527¹, an increase of 47%.

**Commission on Teacher Credentialing
Credential Workload (Volume)**



In fact, recently, the Commission has lost staff in the Certification, Assignments and Waivers Division at a rate significantly greater than the change (increase) in workload over the same period.

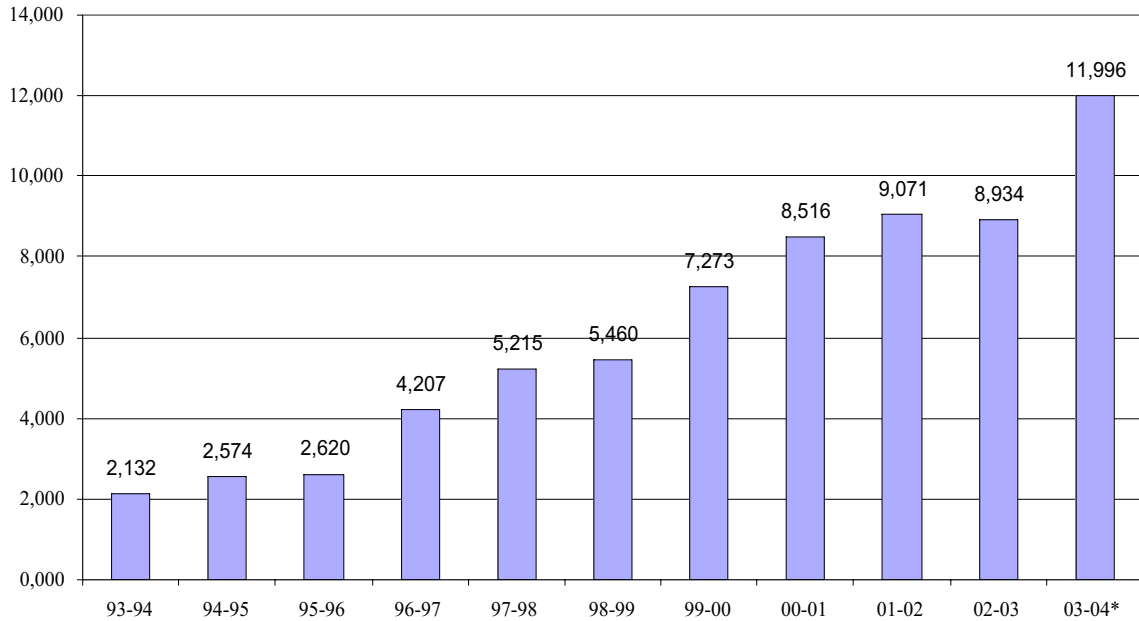
**Certification, Assignment and Waivers Division
Workload v Staffing 1999-00 to 2004-05**



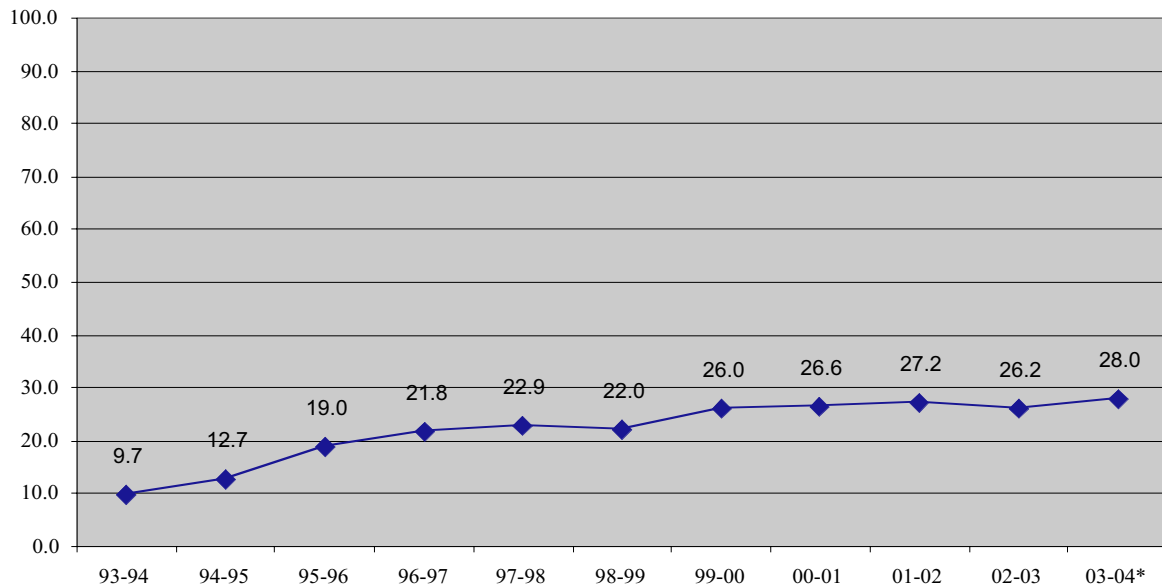
¹ Estimated based on current year-to-date credential counts.

Despite the current year decline in credential applications, workload in the Division of Professional Practices (DPP) continues to **increase**. In fact, over the past ten years DPP workload has increased 463%.

**Division of Professional Practices Workload
1993-94 to 2003-04**



**Division of Professional Practices Staffing
1993-94 to 2003-04**



Background

In 1970 the California Legislature and Governor created the first permanent, independent standards commission in the nation to strengthen the effectiveness of teachers and teacher education. The establishment of the new department, was predicated on the belief that a broadly representative state authority would be responsive to the public need for quality and flexibility in teacher preparation and licensing. This mission is as relevant today as it was in 1970.

In fact, the current trend nationally is toward independent standards boards, to give appropriate attention to the issues of teacher standards, program accreditation, “reciprocity” and teacher fitness. If California is to remain a standard bearer for teacher preparation and fitness standards and continue its investment in student achievement we must continue to develop a well-qualified teaching workforce.

Where currently California is on the forefront in these areas, movement away from statewide standards (for preparation and licensure) would ultimately relegate the State, its teachers and consequently, the more than 6 million children in California’s K-12 public schools to mediocrity. Further, to ensure that only those who are fit to be in the classroom are authorized to be there, the timeliness of fitness review of applications is essential for the safety and security of the children in California’s classrooms.

For over thirty years California has recognized the viability and effectiveness of an independent standards board to regulate the teaching profession. In addition, it is evident that, an independent entity, with a concentrated focus on the quality of professionals responsible for educating our children, works with sensitivity to the issues, developing and implementing balanced, well-measured policies.

A significant body of research supports what is already known: that the quality of the teacher affects the quality of student learning. Lack of sufficient support for high quality preparation and licensure standards will come at the expense of the very children that we are supposed to be educating and protecting. Further, weakening preparation and licensure standards is inconsistent in light of the ever-increasing accountability measures being put in place for student achievement and the State’s efforts to comply with both federal and state initiatives that promote teacher quality through high standards, and rigorous assessment. For example, if the Commission was no longer able to ensure program quality, there could be an overall reduction in teacher quality and a reversal in student achievement gains the State has seen in the last few years. Because California’s teaching standards are tied directly to the rigorous K-12 Student Academic Content Standards, it is essential that California maintain the capacity to effectively monitor the framework of the licensure system for professional educators.

California has a system for the preparation and licensure of teachers that works. Changes that compromise teacher quality that will have a lasting effect on our public schools at the expense of the very children that we are supposed to be educating and protecting.

Fund Condition

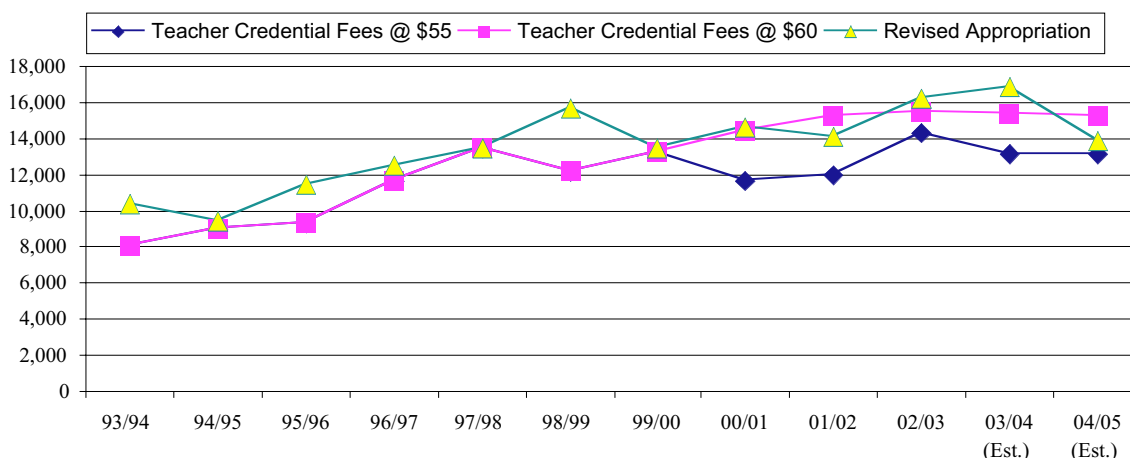
The Commission’s current revenue structure reflects the policy, as adopted by the Legislature and the Administration that all professional educators share in the cost of the services provided by the Commission, a policy consistent with other State regulatory departments. This reflects the policy shift in the 1980’s which resulted in the equalization of credential fees (reducing the

initial fee) thereby establishing the policy that all professional educators support, through initial and renewal applications, the licensing, discipline, preparation standards setting and institutional accreditation functions of the profession.

The inherent problem with this revenue structure is its volatility relative to the number of credential applications. Applications can vary dramatically as a result of new policies such as Class Size Reduction (CSR), which increased applications in the late 1990s, and current State and Federal efforts to increase the number of fully credentialed teachers (5 year annual renewal fee) and reduce the number of individuals serving on emergency permits and waivers (annual fee), which ultimately decreases the number of annual applications and therefore, revenue.

As a result of this volatility relative to application volume, annual revenues are decreasing as the number of individuals needing to apply annually decreases. In addition, it is important to note that since FY 1998-99 the Commission has been operating within a revenue structure whereby expenditures exceed revenues. At the time the credential fee was reduced from \$60 to \$55, the Teacher Credential Fund had a fund balance of approximately \$5.7 million. General Fund revenues were plentiful and the Commission's new Teacher Credential Service Improvement Project (TCSIP) was funded from the General Fund. Unfortunately, decreasing availability of General Fund dollars resulted in the shift of TCSIP expenditures to the TCF in FY 2002-03.

Commission on Teacher Credentialing
Teacher Credential Fees Compared with Revised Appropriation



This shift in appropriation, coupled with a decrease in applications that are renewed annually, has resulted in the current situation in which the remaining TCF balance has been completely drawn down and current revenue levels are insufficient to support the ongoing costs of the Commission. It is important to note that, had either the credential fee remained at \$60 or the TCSIP continued to be funded from the General Fund the TCF would still be solvent. The current situation has resulted in somewhat of a "Catch-22" for the Commission as the State's extensive work to reduce the issuance of emergency permits and waivers (annual fees), a significant positive policy achievement, has resulted in a corresponding decrease in revenues for the Commission and an inability to continue the level of service that our fee-paying stakeholders (teachers, administrators, schools districts and universities) have come to expect.

Given current and anticipated revenues and expenditures, we would expect that the TCF will continue to be in a deficiency absent an increase in revenues or the implementation of an alternative funding structure.

Alternative Revenue Structures

Charge initial applicants for the actual cost of specific activities (end equalization) including accreditation, discipline and credential processing

For example, if the State were to determine that it was appropriate to end the equalization of fees, and instead charge applicants for the actual costs associated with accreditation activities, there could presumably be two options available to proceed: 1) either assume the fees should be born by all individuals seeking either a preliminary or professional clear credential, or 2) bifurcate the credential fees such that those paid by initial credential holders (preliminary) assume the cost of accreditation activities while those seeking professional clear credential do not.

Other states and other professions have implemented this concept of a “surcharge” on the initial credential to cover these types of costs. For example, currently the State Bar charges \$363.00 to complete the initial fitness review. Based on the current DPP caseload and the cost to provide those services, each case/candidate would pay between \$400.00-425.00 to cover those costs. This fee would be charged to initial candidates and credential holders who are referred to DPP. Further, as credential candidates or holders are moved into and through the discipline system, they could incur additional charges for the cost of the legal process, not limited to the cost for administrative adjudication and any subsequent appeals. (Charging for adjudication could be problematic, as recent course cases have found this to be unfair in other professions).

It is important to note, that given the significant fiscal impact of this revenue structure on first time applicants, and the historical consensus with regard to the concept of equalization in order to minimize the burden on new teachers (recognizing the initial salary of first-time teachers) this shift could be difficult.

Following is the matrix outlining the Commission’s activities as requested.

Commission on Teacher Credentialing
Workload Matrix By Division/Office/Section

Activity	Authority	Staffing	Cost ^{1/2}	Impact
Certification Assignments and Waivers Division Certification – Staff evaluate and process over 245,000 applications annually for documents authorizing services to be provided to the children in California's public schools. The Unit's Information Services Office also staffs the phone center to provide credential information. In addition, the unit responds to information requests from e-mail and facsimiles. Assignment - Monitors the assignment of teachers in seven single county districts, coordinates the annual reporting of the assignment of teachers prepared by the county offices of education and responds to teacher assignment questions from public school districts and county offices of education. Waivers - Develops policy, coordinates the implementation of procedures and evaluates applications for credential waivers.	EC 44225, 44250-44251, 44253.9, 44258-44258.9, 44263, 44264, 44273	Credential Processing 74.7%, Correspondence (mail, phone, e-mail) 12.1%, Training 7.8%, Customer Service (Workshops) 1.1%, Assignment Monitoring 2.8%, Waivers 1.4%	2002-03 Certification Licensing Program Admin. \$3,082,967 Certification Section \$3,257,048 Certification Support Section \$541,206 Document Mail Preparation \$546,781 Fingerprint/Records Management \$378,363 Cashiering Section \$251,240 Assignment and Waivers Unit \$404,467 Assignment Monitoring \$350,000 Total CAW \$8,812,072 2003-04 Total CAW \$9,348,000	As processing time in CAW increases, there is ultimately a delay in the review and processing of applications through the Division of Professional Practices. Further reductions in staffing in CAW will without a doubt impact the State's capacity to review allegations of misconduct against a credential holder or applicant and would severely hamper the Division's capacity to be responsive to stakeholders and the general public. The CAW Division works with credential analysts at 82 institutions of higher education that offer Commission-accredited professional preparation programs, over 1000 public school districts and 58 county offices of education. CAW Division also works with the Department of Corrections, California Department of Education approved non-public schools and agencies and charter schools.
Division of Professional Practices Through the Division of Professional Practices (DPP) and the Committee of Credentials (Committee), the Commission on Teacher Credentialing (Commission) investigates and reviews all allegations of misconduct against credential applicants and current teachers to enforce the State's high standards for educator character fitness, and to ensure a safe school environment for California's public school students. The review and investigation of allegations of misconduct is commonly referred to as "professional discipline." The cases are generated three ways: Some are generated by the initial applicants or a holder requesting a new/different credential or renewal of a credential (which cases are referred from Certification Administration Assignment and Waivers Division (CAW). In such cases the Committee's recommendation to the Commission would be to take adverse action/deny or close rather than grant/deny. Other cases are generated by subsequent arrest reports, the filing of affidavits from complainants and/or by reports from school districts and are not referred from the CAW.	EC 44000.5, 44008-44012, 44030, 44237, 44240-44248, 44320, 44332- 44362, 44420-44440, 44630.1-44636	95%	2002-03 Division of Professional Practices \$4,071,311 Committee of Credentials \$49,158 SB 1843 \$353,161 Total DPP \$4,473,630 2003-04 Total DPP \$5,404,000	Reduced staffing or a reduction in the scope of work of the DPP and the Committee on Credentials will impact the State's capacity to review allegations of misconduct against a credential holder or applicant. Given the role of DPP, to ensure that only those who are fit to be in the classroom are authorized to be there, the timeliness of DPP review of applications is essential for the safety and security the children in California's classrooms.
In addition, the Commission hears Petitions for Reinstatement of previously revoked credential holders and reviews proposed decisions of administrative law judges				
The Director of the Division of Professional Practices also serves as the Commission's General Counsel. This function includes providing legal advice to the other divisions in the Commission, monitoring legal requirements and litigation support to the office of the Attorney General.	EC 44210-44239	5%		

**Commission on Teacher Credentialing
Workload Matrix By Division/Office/Section**

Activity	Authority	Staffing	Cost ^{1,2}	Impact
Professional Services Division Develop standards for and monitor quality of educator preparation programs, including- Assuring alignment of subject matter and credential program standards with state requirements- Conducting subject matter and credential program review and approval- Providing technical assistance- Conducting ongoing accreditation reviews- Meeting federally mandated requirements for the collection and reporting of program quality data- Determining and maintaining information related to credential comparability with other states	EC 44253 – 44254, 44270.3 – 44270.5, 44370 – 44374, 44259 – 44259.5, 44279 – 44279.7, 44320.2, 49422, 44274 – 44274.5, 44226.5, 44468, 44513, Title II, Sections 207 & 208, of the Higher Education Act, 1998, Title II Teacher Quality Enhancement Grant Program, Preparing Tomorrow's Teachers to Use Technology Federal Grant Program and NCLB	47%	2002-03 Program Evaluation & Research \$3,295,169 Test Development & Administration \$11,007,717 Funded Programs \$42,742,400 Total PSD \$57,045,286 2003-04 Total PSD \$52,149,000	<p>If the Commission were no longer able to ensure program quality, there could be an overall reduction in teacher quality and a reversal in student achievement gains the State has seen in the last few years. Because California's teaching standards are tied directly to the rigorous K-12 Student Academic Content Standards, it is essential that California maintain the capacity to effectively monitor the framework of the licensure system for professional educators. Without strong program review to ensure accountability these standards would have no meaning. The Commission would have no means by which to ensure that subject matter programs are aligned with the State's K-12 Academic Content Standards, that candidates are prepared to be effective teachers in California's culturally and linguistically diverse public schools, or that teachers completing a credential program are more qualified than teachers on Emergency Permits.</p> <p>It is through standards, assessment, and accreditation that the Commission assures that programs prepare teachers to effectively teach reading, instruct English language learners, work with special populations, create effective learning environments and help struggling students. Without these assurances, there would be no practical way for the State to ensure that its teachers are highly qualified. To short-change oversight and accreditation of credential preparation programs, restrict capacity to provide technical assistance to school districts and institutions training teachers, and limit the capacity to comply with federal reporting requirements seems to be inconsistent in light of the ever-increasing accountability measures being put in place for student achievement and the State's efforts to comply with NCLB. The reduced capacity to carry out these functions seems inconsistent with both federal and state initiatives that promote teacher quality through high standards, and rigorous assessment.</p>
Develop and administer valid and reliable assessment programs that certify teacher competency in:- Basic Skills- Subject Matter Knowledge- Reading Instruction- Teaching Performance- English Learner Instruction- Formative Assessment (Induction Programs)	EC 44252.5 – 44252.9, 44253.5 – 44253.10, 44280 – 44283.2, 44227, 44275.3 and NCLB	24%		Since State or Federal law mandates many of these activities, their elimination or postponement could create certain liabilities for the Commission. While the TCF fund is the primary target for the reductions, it is possible that due to decreased staffing levels, the Division would be unable to maintain adequate administrative oversight of existing credential examination programs and more problematic, the ability to conduct related validity studies. The inability to maintain valid exams could pose significant financial risk to the Commission and the State. The Commission's ability to develop new examinations and program standards aligned with the State's K-12 Academic Content Standards as prescribed by law would be uncertain.
Administer teacher development programs including allocation of state and federal funds, providing technical assistance, monitoring quality, and ensuring accountability for- District and University Intern Programs- The Pre-Internship Programs- The Paraprofessional Teacher Training Program- The Beginning Teacher Support and Assessment Program*- The Troops to Teachers Program- The Transition to Teaching Program* Funding for program eliminated in 2003; local programs conclude on June 30, 2004.	EC 44325 – 44329, 44380-44386, 44390 – 44393, 44305 – 44308, 44400 – 44405, 44380.3, the Federal Troops to Teachers Grant Program, the Federal Transition to Teaching Grant Program and NCLB	29%		If the Commission were no longer able to administer teacher development programs, millions of dollars in state and federal funds that can help prepare highly qualified teachers would go unallocated; programs that prepare teachers, including former military personnel, through alternative certification pathways would not be developed, funded or monitored; programs that help districts "grow their own" local teachers through career ladder teacher training for paraprofessionals would not be available to help meet teacher shortages in critical areas; induction programs pursuant to EC 44279.2 would not be available to the state's teachers; programs that help districts reduce or eliminate the number of under qualified teachers would be unavailable; and the state would lose a critical opportunity to obtain federal funding to support the development and certification of highly qualified teachers.

**Commission on Teacher Credentialing
Workload Matrix By Division/Office/Section**

Activity	Authority	Staffing	Cost ^{1,2}	Impact
Administration Division				
Executive Office				
Executive Director - Responsible for the following: oversight of the department, delegated authority to act on behalf of the Commission and external activities on behalf of the department and the Commission. The Executive Director is ultimately responsible to the Commission.	EC Chapter 2	100%	2002-03 Executive Office \$359,872 Commissioners \$78,500 Total Exec. \$438,372	The Executive Director is ultimately responsible to the Governor and the Governor's appointed Commissioners. Elimination of this position/function would be detrimental to the efficacy of the department. The Executive Director provides leadership to the agency's 170 employees to ensure that the department is fulfilling its duties and responsibilities as specified in the Education Code.
Executive Office Staff - Prepare the Commission Agenda, Provide Administrative Support to Members of the Commission Provide Administrative Support for Commission Meetings: Education Code Section 44219 requires the commission to meet at least once each month in no fewer than 10 months. Bagley Keene requires us to inform the public of the meetings and the agenda for each meeting. Coordinates preparation of all agenda materials for each Commission Meeting. Responsible for finalization and distribution of the minutes of the meetings. Members of the Commission are entitled to reimbursement for their travel costs to attend the Commission meetings. The Public Members on the Commission are entitled to a stipend for serving on the Commission. The school districts of the teachers who serve on the Commission are entitled to reimbursement for the substitute costs of the Members to attend the Commission Meeting. Members of the Commission are required by law to complete Ethics Training and Form 700 Statement of Economic Interests.	EC 44210, 44215, 44216, 44217, 44219, Political Reform Act, Govt Code 81000-91015, 11146.1, 11146.2, 11146.3, Bagley Keene	70%		The Executive Office has already redirected staff to program units and has re-engineered workload to in order to complete the same amount of work with almost half the resources. Further reduction in staff would result in a longer response time to inquiries from the Governor, Members of the Legislature and constituents. In addition, coordination of the agenda and correspondence to the field regarding important policy decisions would be greatly hindered if the Executive Office staff were further reduced.
Executive Office Staff - Support the work of Executive Director: Coordinate and prepare correspondence, presentations and research assignments for the Executive Director.	EC 44220	30%		Same as above.
Office of Governmental Relations OGR has two broad responsibilities: 1) acting as the Commission's liaison with the Governor's Office, the Secretary for Education and the Legislature to promote the Commission's mission of ensuring quality educators for California's students, and 2) acting as the Commission's liaison with the media and organizations with a vested interest in credentialing, educator assignment, educator preparation, and educator discipline. OGR, as part of the Executive Office, is charged with advising the Executive Director and under his direction, the Commission concerning legislative intent as the Commission discharges its duties and responsibilities. In addition, the Commission is statutorily required to submit reports to the Legislature, the Governor and other control agencies. OGR reviews these reports for their adherence to both statutes and legislative intent, and is then responsible for distributing the reports as well as providing information and testimony based upon the reports.	Reference Education Code Sections 44451, 44202, 44225.6, 44226.5 (c), 44227.5, 44238, 44252.1, 44253.1, 44258.9, 44259.3, 44259.8, 44261.2, 44274, 44279.1, 44306, 44329,	100%	2002-03 Office of Governmental Relations \$496,510	The elimination of some of these functions would result in lower teacher quality and lowered safety assurances for students as well as increased costs to the State. OGR plays a vital role in maintaining quality instruction and safety for California's students. The knowledge of educator preparation and credentialing laws allows for quick responses to legislative proposals that may be based on misinformation or may inadvertently undermine student instruction and safety. OGR is also often able to quickly identify legislative proposals that are redundant and in current law or that run counter to cost effective and successful practices. In so doing, staff is often able to identify possible unnecessary costs to the State and to the Commission. Reduction of resources for this function could result in misguided policy based more on rumor than on data and correct information and could ultimately affect the quality of work in other state entities, the Legislature and the Governor's Office. Finally, constituent issues referred to the Commission by Legislators would go unattended.

**Commission on Teacher Credentialing
Workload Matrix By Division/Office/Section**

Activity	Authority	Staffing	Cost ^{1,2}	Impact
Fiscal and Business Services Section FBS responsibilities include Facility Operations, Procurement (IT and Non-IT), Business Services, Accounting, Budget, Travel, Mail Room and Forms Management. Specifically, through the development and implementation of contracts FBS provides financial control and accountability over the various state and federal programs administered by the Commission. BS is also responsible for the coordination of all procurement activities. Budget Development and Implementation: SAM 6000 - 6965; Accounting: GC 13300, SAM 7110; Facility Operations - EC Chapter 2; Travel: DPA 599.615, DPA 599.921, SAM 0700; Business Services: SAM 1600; Forms Management: GC 14770 and SAM 1720	See Previous Column for Authority	Business Services 20% (Includes Facility Operations, Mail Room and Procurement), Accounting 20%, Budget 20%, Contracting 20%, Travel 15%, Forms Management 5%	9.5; 2002-03 Fiscal and Business Services Section \$1,526,164 (includes Building rental, maintenance and DGS - CFS costs)	Loss of significant administrative functions would result in a negative impact on program operations including, but not limited to: delays in contract preparation and implementation, delays in accounts payable, delays in providing information to control agencies (Department of Finance and Department of General Services) and delays in addressing facility issues. This situation is highly inconsistent with the expectations and requirements of control agencies and the requirements of the Public Contract Code. According to Section 1.04 of the State Contracting Manual, each state agency/department is responsible for its own contracting program. This responsibility includes ensuring the necessity of the services, securing appropriate funding, complying with laws and policies, writing the contract in a manner that safeguards the state's interests, and obtaining required approvals. If this function was eliminated the Commission would not be in compliance with State policy.
Contracting: PCC 10359, PCC 10339-10345, SCM 2.07, PCC 10115, GC 14835, GC 14838, TITLE 2 CCR 1896, GC 4530-4535, GC 7080, GC 7113.5-7114, GC19130, PCC 10400-11, GC 12990, PCC 12205, GC 8350, GC 12990, Title 2 CCR 8103, PCC 10371 [C], PCC 10341, 10344, PCC 10371, PCC 10340, Title 2 CCR 1195, GC 14825-14829.2, GC 14825, GC 10348, 2 CCR 8117.5, PCC 10295, PCC 10297, GC 14616, PCC 10345, PC 10267, PCC 10369, GC 8546.7	See Previous Column for Authority			Pursuant to Section 1.04 of the State Contracting Manual, each state agency/department is responsible for its own contracting program. This responsibility includes ensuring the necessity of the services, securing appropriate funding, complying with laws and policies, writing the contract in a manner that safeguards the state's interests, and obtaining required approvals. If this function was eliminated the Commission would not be in compliance with State policy. The technical assistance provided by FBS to program staff is necessary to ensure compliance with the Public Contract Code and State policy. In the event this function was eliminated this would put 100 percent of the burden on program staff to ensure compliance with the abundance of rules and regulations. Given current workload in each Division/Office/Section adding an this additional function could jeopardize the existing program and could potentially result in future litigation if a contract acquisition in not
Procurement: GC 4550, B&P 16720-27SCM 5.30, PCC 12102, CCR 1 1870.1, PCC 10308.5, 10354,12150, SCM 7.70,GC 12990, CCR 2 8103-88120, SCM 4.08, 5.30, 5.09, 7.65, PCC 10296, SCM 2.07, 10.15, 10.30, GC 8355, SCM 4.08 5.30, 7.55, GC 14835,14838, CCR 21896, SCM 5.10, 5.30, 5.80, 8.20, 8.21, 8.22, R&T 18646, SCM 4.08, 7.25 SAM 8422.19, PCC 6108, SCM 2.07, PCC 10329, SAM 4619.34.2, SCM 5.03, SCM 19134, CCR2 1896.300, 42 U.S.C 12101, GC 927-927.10, SCM 7.20, 8.22, PCC 10308, PCC 10320, 10333,12102, SAM 3506, 5210.01, GC 14838.5, PCC 10335, PCC 10318, 10339, SCM 5.03, SAM 3503, 5212, PCC 10341, SCM 5.03, PCC 10342, SCM 6.10, GC 14825, PCC 10335.5, 10340, SCM 5.75, 5.80, PCC 10301, 10348, 12102, SCM 5.70 EO W-103-94 MM 96-16, PCC10367,10371, SCM 2.07, PCC 10345, SCM 6.10, PCC 10340, SCM 5.08, PCC 10345, CCR 1 1195, SCM 6.0-6.40, CG 14838.5, GC 8546.7, SCM 7.50, MM 99-2, PCC 10305, PCC 10301, PCC 10302, CCR 2 1890, PC 10304, PCC 10305-6 CCR 1 870.1, PCC 12125 CCR 1 1400, PCC 10115.2,	See Previous Column for Authority			In the event this function was eliminated, the Commission would transfer all workload and all attendant costs (General Fund) to Department of General Services - Procurement Division. The Commission processes approximately 200-300 purchase orders in an fiscal year. This does not seem efficient given this level of workload, and the resulting cost to DGS. There is also the concern that orders would not be processed in a timely manner, resulting in a negative impact to program operations.
10115.15, CCR 2 1896.70, SCM 8.10, 8.17, MM 98-04, PCC 10314,12112, PCC 10346, SCM 2.07, 7.33, P&T 23101, SCM 5.30, 8 U.S.C 1621, PCC 12156, W&I 19403-19404, SCM 5.08, 5.80, SCM 5.30				

**Commission on Teacher Credentialing
Workload Matrix By Division/Office/Section**

Activity	Authority	Staffing	Cost ^{1/2/}	Impact
Enterprise Technology and Support Services Section ETSS is responsible for managing all information technology (IT) functions and necessary resources and services enterprise-wide to meet business goals and objectives. The Enterprise Network Unit provides support for the following: a dual desktop platform; helpdesk support of 450 nodes; network interconnectivity; infrastructure support for 27 servers; database administration; information technology procurements and support documentation; computer setups, installations and moves; evaluation tests; inventory management and control; project management; training, business process assessment; document flow management and is responsible for network security and operational recovery. The Enterprise Application Unit provides IT and database administration support administering and managing access to all mission-critical and centralized database applications including 80 Web enabled databases and 20 external interfaces and is responsible for the existing Credential Automation System (maintenance of hardware and software) and development and implementation of the TCSIP.	SAM 4800, 4841, 4843.1, 4845, 4854, 4900, SIMM 140, SIMM 240	14.5 ENU 50%, EAU 50%	2002-03 Info Tech and Support Management Division (ITSM) \$123,985 Information Mgmt Systems (IMS) \$1,429,519 Web Administration \$1,027 Enterprise Network Unit \$73,774 Enterprise APP Unit \$30,553 TCSIP Project \$981,430 (Please note: Some TCSIP expenditures are reflected in the IMS total.) Total ITSM and ETSS \$2,640,288	Unsupported hardware and software and reduced staffing will impact the capacity to maintain the network backbone, servers, desktops and printers, potentially leading to virus outbreaks and security vulnerability. It will also increase downtime for the end users, thus increasing credential processing time and, as discussed above, increasing the amount of time that it takes for DPP staff to process cases and remove unfit teachers from the classroom. ETSS would also be slower to respond to legislative mandated changes and needed application changes for credential and legal processing.
Office of Human Resources Responsible for providing consultation and recommendation to the CCTC Executive Director, management and staff on all personnel related issues including counseling and documenting employee performance and disciplinary procedures. Represents the Commission during collective bargaining negotiation sessions, provides advice on labor relations aspects of operating policy decisions, and assists in the resolution of grievances/complaints. Draft all Adverse Actions, Medical Actions and Rejections from Probation. Research and prepare payroll documents, including docks, overtime, garnishments, payroll adjustment notices and salary advances and all personnel transactions (PAR, EARS, NDI, IDL, certification lists, etc.) and employee documents (health, dental, flex, group legal services, long-term disability, etc.) The HRO also serves the CCTC on training, conflict of interest, medical issues, adverse actions, health and safety, reasonable accommodations and discrimination complaints (entire EEO process).	CA Code of Reg. Title 2, EC44221, SAM 4840 - 4845, Dept of Labor, CFRA, CA Admin Code, Title 8, Subchapter 7, Sec 3203, Political Reform Act, GC 8100, GC 1146	7 100% Office of Human Resources \$505,943	2002-03 Total Administration Division \$5,607,268 2003-04 Total Administration Division \$5,643,000	Further reductions will create critical deficiencies in the following essential functions: Payroll and benefits, health and safety, policy development, training and conflict of interest requirements.

^{1/} Please note the costs reflected by Division/Office/Section are from 2002-03 actuals as reflected in the Proposed 2004-05 Governor's Budget. In addition, 2003-04 estimates are also included for your reference.

^{2/} It is important to note that in 2002-03 Personal Services and Operating Expenses and Equipment were not aligned for reporting purposes. However in 2003-04, this has been changed for future reportings.

Efficiencies Already Implemented

CAW Division – Implemented to Respond to Increasing Workload with Insufficient Staff

Reduced Phone and Office Hours

Call center hours were reduced by four hours (cut in half) each day and the front office service was reduced from 5 days a week, 9 hours a day to noon to 5 pm Monday, Wednesday and Friday. (2003)

Credential Assembly by Credential Automation System (CAS)

CAS prints leaflets that accompany the credentials eliminating the need for the Document Mail Preparation staff to insert these leaflets at the time they are mailed. (2000)

Online Credential Access

Web access to the Commission's credential system allowing teachers to access credentials and the status of an application. This access also allows the public to view teacher's credentials. This has reduced phone calls from applicants and districts as well as eliminated status lookups from employers. (2001)

Credential Academy

Credential analysts from institutions of higher education (IHE) who participated in the Academy no longer submit supporting documentation with applications when they are recommending an individual for a credential. Twenty-four institutions completed this training and now only submit an application for processing. (2001)

DOJ Electronic Interface

The Commission receives DOJ fingerprint clearance and rap sheets via an electronic interface with DOJ. This process has allowed CAW to reassign two of the four PY's in the fingerprint unit to help with other areas in the support area. (2002)

Renew Credentials on the Web

Professional clear and 30-day substitute permit holders can review their documents online. Approximately 3000 credential holders renew their documents on line each month. The online process reduces the Cashiering Unit's workload because the applicant information and payment is entered into CAS electronically. Cashiering still must reconcile the credit card payments received from the web with the payments in CAS. (2002)

Credential Information Guide

The CAW Division annually published a 200 page Credential Handbook for the state's credential analysts. This Handbook provides policies and procedures as they relate to the issuance of credentials and permits. In 2002 the CAW Division stopped publishing the Handbook and developed the Credential Information Guide (CIG), which is web based. The CIG has reduced phone calls from credential analysts and allowed the CAW Division to provide up-to-date information to its stakeholders. (2002)

Cross Training of Staff

The Support Section is divided into four units, Cashiering, Support, Fingerprinting and Microfilming and Document Mail Preparation. In 2002, the CAW Division embarked on cross training all Support Section staff to be able to perform the duties of all of the Units. This has allowed us to assign staff based on varying workload demands in each Unit. (Ongoing)

Implementation of TCSIP

The target date for implementation for TCSIP is now set for August 2004. While it is too early to know the specific efficiencies to be derived from TCSIP, we do expect efficiencies when the Virtual Credentialing Officer is fully functioning. The VCO will fully automate the online renewal process by automating the cashiering and certification function. The only manual process will be the mailing of the documents. Currently we process 3,000 renewal applications per month for the web. The VCO is not scheduled for completion until December 2004 since it was an add-on to the TCSIP contract. TCSIP also includes an electronic submission by IHEs, which will also reduce the workload in cashiering since all of these submissions will be paid by credit card. It is important to remember that these efficiencies will not be realized until three to six months after the project is implemented. TCSIP is going from our current "green screen" environment to a "windows" based environment which will require a complete retraining of all CAW staff members. (2004)

DPP – Implemented to Respond to Increasing Workload with Insufficient Staff

In order to deal with the increased workload in DPP and to make the best use of the Committee's and the Commission's time in Sacramento while still complying with statutory requirements, the following changes have been implemented since February 1999:

- Reorganized the program technician workflow for quicker processing;
- Cases "not under" the jurisdiction of the Committee are finalized by staff rather than the Committee, thus eliminating both staff time and need for additional Committee meeting dates;
- Eliminated multiple extensions of time for documents before the case is rejected;
- Installed DMV terminals to check vehicle code violations, resulting in reduced paperwork and quicker turn around time;
- At Commission direction, delegated the mandatory revocation and suspension process to the Executive Director for immediate processing, thereby eliminating both time lag and workload of placing items on the Commission agenda and ensuring that most serious offenders are restricted from the classroom sooner;
- Reduced telephone hours to four hours (cut in half) a day to allow increased time for program technicians to process cases;
- Utilized staff counsels for preparation of case summaries for the Committee of Credentials to decrease the amount of Committee meeting dates;

- Proposed the addition of an expiration date on Certificates of Clearance to eliminate necessity of taking action on “old” certificates;
- Instituted electronic mailing of the All Points Bulletin to eliminate mailing and processing costs and provide districts with quicker access to information about disciplinary actions.
- Instituted an early settlement procedure to contain the rising Attorney General litigation costs (33% increase in 4 years) and workload and speed resolution of cases.

PSD – Implemented as Cost Cutting Measure

- Reduced the number of meetings required for program review panels and initiated electronic program reviews reducing travel costs associated with bringing field experts to Sacramento to participate in review panel meetings.²
- Reduced on-site technical assistance and technical assistance meetings, saving on travel costs for staff.
- Incorporated development of program standards into exam development contracts, reducing travel costs associated with bringing experts to Sacramento to participate in advisory panel meetings
- Suspended accreditation visits except for visits coordinated with the National Council for Accreditation of Teacher Education
- Moved to “no cost” contracts for test administration, saving on administrative costs associated with making budgetary adjustments to expenditure authority.
- Initiated procurement reform, including a new photocopier agreement that saves approximately \$7,500 over the maintenance agreement cost of 2002-03 of \$12,705.
- Reduced publication and mailing costs for reports, standards, handbooks, and notices to stakeholders by posting documents and information on the Commission’s website.

In the remaining current and next fiscal year, the division will implement the following cost cutting measures:

- Require electronic submission of program documents and supporting evidence for all program reviews. This will reduce mailing costs that result from sending hard copies to reviewers.
- Eliminate the use of hotel contracts for meetings and require field experts who serve on Commission review panels or design teams to submit reimbursement requests on travel expense claims.

Administrative Division

Department-wide redirected administrative staff to program units to address resource deficiencies. Specifically, the following positions have been redirected:

- Two staff from the Office of Governmental Relations (OGR), have been redirected to the Division of Professional Practices (DPP) and the Professional Services Division.
- One staff has been redirected from the Executive Office to DPP.

² The Commission is mandated to reimburse districts for costs associated with providing substitute teachers for district personnel who participate on panels or review teams.

- Currently, one staff member from OGR and the Office of Human Resources assists with DPP workload.

Executive Office – Implemented as Cost Cutting Measure

For 2003-04 the Commission reduced the number of meetings to the bare minimum that is allowed by law. Education Code Section 44219 requires the Commission to meet at least once each month in no fewer than 10 months. In order to eliminate meetings but to also be in compliance with the statute, whenever possible, the Commission scheduled meetings to begin on the last day of the month and end on the first day of the following month, eg. September 30-October 1 is one meeting. We are able to have one meeting and have it take place in two months. All other meetings that only take place in one month are scheduled to be one day only in endurance. When the schedule permits, we begin our one-day meetings later in the day so Members of the Commission can travel the morning of the meeting and return the evening of the meeting therefore reducing the travel costs associated with the meeting.

Office of Governmental Relations – Implemented as Cost Cutting Measure and to Provide Efficiencies

- Communications such as the quarterly newsletter and upcoming reports will be posted on the Commission's List Serve and available on the Web Site instead of printed and mailed to subscribers.
- E-mail addresses for members of the press will be kept and up-dated by staff rather than purchased through a professional media service.
- Layout and limited print editions for publications will be done at the A. Warren McClaskey Adult Education Center for developmentally disabled students in the Sacramento Unified School District. The Commission recently used the services of the McClaskey Center for its fall 2002 newsletter at considerable savings and no reduction in quality.
- Communications with members of the Legislature regarding the Commission's position on bills are hand-delivered by staff to ensure timely delivery and to save postage.

Fiscal and Business Services Section – Implemented as Cost Cutting Measure and to Provide Efficiencies

Over the last 3 years FBS has experienced a 20 percent reduction in staffing. In response, FBS has reengineered its business processes to meet the needs of the department to ensure the same level of service.

- In 2001-02, the Fiscal and Business Services Section had 2.5 full time staff working on budget related issues. This function has since been streamlined down to 1 full-time staff person working on budget related issues.
- Duties have been re-evaluated and re-organized to ensure minimal overlapping.
- In 2002-03 developed a Budget Expenditure Tracking System that records and tracks all obligations from the point of obligation to the actual recording in CALSTARS in order to ensure the Commission is monitoring expenditures in a real-time basis.

- In order to minimize costs and reduce excess supplies implemented a procurement schedule that only allows orders twice per month. This has reduced order volume from approx. 1,100 purchase orders to 200-300 purchase orders a year.
- Re-evaluated authorized users of pagers and cellular phones department-wide. As a result, the majority of the pagers are gone and the list of authorized cellular phone users continues to decrease based on need.

Other Ideas for Streamlining Processes

DPP – Changes in law that could provide Efficiencies

In addition to the changes already implemented (did not require statutory or regulatory changes) the Division of Professional Practices proposed the following legislative changes to further streamline its procedures:

1999 LEGISLATIVE CONCEPT

Currently, the Committee is authorized to recommend a private admonition, public reproof, suspension or revocation as an adverse action (Education Code section 44421). In the case of applicants, it may grant or deny the application under consideration. On occasion, the Committee is in the position where a suspension for a determined period of time is not sufficient protection against the possibility of future misconduct and revocation is considered too extreme. In these situations, the Committee has indicated that it would like to recommend imposition of a suspension with a period of probation with specific conditions. The teacher is provided with the opportunity for rehabilitation and growth with an anticipated end result of better quality teachers. It also provides the Commission with an extended reach over the teachers allowing the Commission to monitor the teacher and institute strategies for individual improvement while at the same time protecting the students in the classroom. The same situation occurs in the case of applicants where the Committee's only options are to grant or deny, and in reinstatements, when the Commission's only options are to grant or deny. Staff proposed the following:

- Amend various provisions of the Education Code to allow the Committee to impose probation as a condition in lieu of revocation of a credential or permit or denial of an application.
- Amend various provisions of the Education Code to allow the Commission to impose probation as a condition of reinstatement of a credential.

The proposal was approved by the Commission on December 6, 1999. Following a meeting with the California Teachers' Association's (CTA) legal and legislative staff, this concept was withdrawn due to a lack of support or agreement.

2002 LEGISLATIVE CONCEPT

Currently, the Commission may only obtain jurisdiction to review cases of teacher misconduct as specified in the Education Code. Certain key agencies and institutions are not required to report teacher misconduct. Strengthening and clarifying the jurisdictional reporting of teacher misconduct would eliminate serious non-reporting situations. In addition, technical corrections and clarifying amendments to laws relating to misconduct would standardize disciplinary options and align statutes. Following a series of meetings with the Legislative Committee staff and teacher associations, this concept was withdrawn because of opposition from the teachers' associations.

CAW – Efficiencies

Move “Yes” answers to DPP Faster – Response to DOF Question

It was suggested that the Commission process applications with “yes” responses to the professional conduct questions on a priority basis either by early identification and routing or by prioritizing these applications. While early identification would eliminate the 75-day certification process, there are several problems with this scenario. First, the “yes” answers are only a portion of the cases referred to DPP. In fact, the more serious cases are ones that are “no” answers that are determined to be “failures to disclose” once a criminal history is obtained or that are referred by school districts and/or complainant/victims. The “yes” answers are frequently cases involving lesser offenses (for example, one time Driving Under the Influence conviction) and/or offenses that have been previously reviewed by DPP. Second, DPP is already backlogged with current workload. Fast-tracking “yes” answers would further exacerbate DPP’s workload problems. Finally, early identification would result in unnecessary work by DPP if the applicant did not qualify academically because DPP does not take action against applicants if they don’t qualify academically.

Another option to process applications with “yes” answers would be for the Certification Unit to prioritize these applications and review them first. Currently, applications are processed based on the date order in which they are received. For this processing option, Cashiering would route the “yes” answer applications to the Certification Unit for immediate review. This option would verify that the applicant is academically qualified for the credential prior to a professional fitness review. The applications would then be forwarded to DPP for a professional conduct review. This process would then delay the processing of teachers who did not answer “yes” and it may have the potential of extending the 75-day processing timeline for all other applicants. Since this would be an expedited process, staff would have to be dedicated to reviewing “yes” answer applications, which will take them away from the regular evaluation process. This is problematic as we already know that stakeholders are concerned with overall processing time and have a need to have certification information as current as possible. In addition to slowing down the entire certification process, it would not result in a significant increase in the number of applicants who should be immediately be removed from the classroom because the most serious cases in general are not the applicants with “yes” answers.

PSD – Efficiencies and Cost Savings

Have the California Post-Secondary Education Commission (CPEC) do Accreditation – Response to DOF Question

Currently CPEC does not have the staff, or even when fully staffed, the expertise to be responsible for workload required for accreditation activities. To provide CPEC with the appropriate resources (amount and expertise of staff) would require resources similar to what the Commission currently spends on accreditation, however, this would likely come as a cost to the General Fund. Currently this is an integrated activity within the Commission. CPEC staff would have no linkage to the standards and assessments that were developed by the Commission and it would likely cost additional cost (in time and money) to have this important linkage, which is inherent in the current Commission structure.

LAO Proposals as Outlined in the May 2003 SRL Paper on Credential Processing (*LAO in italics* – followed by Commission analysis)

Reexamining CTC's Basic Funding Structure – In fact, the current fee structure is the result of such an examination. In the 1980's the Legislative Analyst recommended that credential renewal fees be equalized (reducing the initial fee) and established the policy that all professional educators support, through initial and renewal applications, the licensing, discipline, preparation standards setting and institutional accreditation functions of the profession. The current revenue structure reflects this policy as adopted by the Legislature and the Administration and is consistent with that of all regulatory departments in the state: those who receive the benefit of their services pay to provide those services.

Further, the options outlined fail to acknowledge that the “related CTC activities” are in fact essential to the issuance of a credential. The report calls these other activities “support”, however, without the development and implementation of required standards, accreditation, disciplinary review, and the administrative support for these processes, there would be no credentials to process.

Option 1 – Impose Service Charges

Accreditation – Charge teacher education programs for accreditation reviews:

Given the current fiscal crisis, there is no sufficient funding for teacher preparation programs to assume these costs. In all likelihood, requiring teacher education programs to pay for accreditation reviews would effectively end teacher preparation as programs are already restricting enrollment because of budget shortfalls.

Discipline – Charge school districts and County Offices of Education when they requested the CTC investigate charges of misconduct lodged against teachers serving within their jurisdiction: The CCTC conducts fitness reviews and

investigates allegations of credential holder misconduct relating to its licensing activities. This option is based on a false premise that school districts request an investigation of credential holders and the fees would go to support this activity.

To the contrary, school districts are **required by law and regulation to report instances of teacher misconduct** to the CCTC for investigation related to licensure. (School districts conduct separate employment related investigations at the district level.) It would be nearly impossible to collect the expenses associated with these investigations as frequently a credential holder will resign or otherwise leave employment in the district in which charges are lodged. While the district does not have an obligation to finish its investigation, the CCTC will separately investigate the alleged misconduct to determine whether the credential holder should be subject to adverse action. This processes provides the continuity necessary to prevent the scenario of a credential holder going from district to district and still being allowed to serve in the classroom despite serious misconduct having occurred (often referred to "passing the trash").

Option 2 – Subsidize CTC Activities Using General Fund Monies

Given the current condition of the General Fund, this not a viable option.

Statewide Proposal

The following proposal would provide several efficiencies statewide, requiring a multi-million dollar investment. While we understand that this may be cost prohibitive, it is included as one of the efficiencies that the Commission has researched/considered in its efforts to maximize efficiencies.

A key issue discussed by more than one Master Plan working group involved the need for California to revise its data collection system. The Legislative Analyst has also addressed this issue. A consensus had emerged among Master Plan advisors that state and local data collection procedures were overlapping, incompatible and inefficient, yet yielded inadequate data for crucial state education policy decisions. In testimony before the Joint Committee, Commission staff recommended a strategy for acquiring and sharing data by replacing paper credentials with encoded “Smart Cards”.

Used throughout the world, Smart Card technology offers to replace an inefficient, inaccurate, labor-intensive data collection and analysis process with one that is efficient, cost effective and integrated across agency lines. Smart Cards offer portability and easy access to client data, while provided a new level of security. Under the Smart Card option, data linking districts, county offices of education, the Department of Education, the Commission and the State Teachers Retirement System could be continually updated. Opportunities to cross-reference with these agencies includes: verification of credential status and credential authorizations, cross-reference of fingerprints and tracking teacher assignments. The value of this electronic “on-demand” data would be multi-fold:

- Achieving Efficiency, Cost Effectiveness and Integration: Districts would be relieved from inefficient and ineffective paperwork to track teacher authorizations and assignments and separations. This would eliminate the need for assignment monitoring by the Commission;
- Forecasting Teacher Supply, Demand and Distribution: Data on teacher supply, demand and distribution would be available for state policy makers to forecast teaching workforce needs on a real-time basis;
- Gauging Teacher Persistence: Data could be used for longitudinal studies of teacher persistence; and
- Building for the Future: This data would provide a building block for assessment of teacher and teacher program quality (accreditation), should policy makers decide to address these issues.

If the State had the capacity through enhanced data collection to know who was serving in a classroom on a real-time basis, the State would be able to save funds currently spent on assignment monitoring. Further, data on teacher performance could be linked to accreditation, providing additional objective data to direct and inform the accreditation process. This would also have the benefit of efficiency, from a public safety perspective, of allowing the Commission to electronically void a credential electronically/immediately.

Accreditation Process

The Commission's costs related to accreditation average approximately \$200,000 per year. The chart below provides information about the expenditures for the last two years in which regular accreditation activities occurred. Not reflected below are expenses for 2002-03 due to the Commission's action to suspend all non-NCATE accreditation reviews.

Total Accreditation Costs 2000-2001	\$193,680
Total Accreditation Costs 2001-2002	\$201,130
Average 2-year annual cost	\$197,406
Average Annual Cost for Site Visit Function Only	\$122,296
Average Per Site Visit Cost	\$9,784
Range of Site Visit Costs	\$1,360 (district intern program, 2 team members) to \$30,727 (multi program, multi-campus program, 33 reviewers)

The primary factors affecting the cost of an accreditation visit are the size of the team required for the review and number of days required for the visit. These factors are a function of the size of the institution, the number of programs offered by the institution requiring review, and the number of educational sites.

The Commission costs involved in accreditation generally include costs associated with: 1) site visits; 2) pre-visits to institutions; 3) post-visits for institutions with stipulations; 4)

training for review team members; 5) nominations for the Committee on Accreditation; and 6) Committee on Accreditation meeting costs.

How Do Other States Fund Accreditation Or Program Approval Services?

Commission staff surveyed 11 other states to determine the manner in which other states fund their accreditation/program approval activities for educator preparation. The chart below reflects the findings from this informal survey.

State	Entity responsible for funding activities	State Specific Information
Connecticut	Institution/Program	<p>Institutions bear the cost of accreditation related to housing, meals and transportation for visiting team members. Team members are volunteers and do not receive stipends for their services.</p> <p>The State of Connecticut covers the cost for state personnel (salary) assigned to accreditation visits including significant staff time for technical assistance to the institutions to review materials and discuss arrangements for visiting team.</p>
Florida	Joint (Institution/State)	
Illinois	State	Currently, the state pays for all costs associated with state accreditation. Major effort is currently underway to restructure education agencies in the state – accreditation as well as all functions may change dramatically in the next few months in this state.
Indiana	State	State pays for all accreditation costs. Indiana provides a specific line item in agency budget for accreditation services. Amount changes from year to year based upon the number of anticipated visits.
Maryland	Institution/Program	Because Maryland mandates NCATE accreditation and has modeled their state system closely with NCATE, state law mandates that the state will assume 1/2 the costs of the state approval process, if funds are available. Staff noted that funds have not been available for several years, and the burden has shifted entirely to the

		institutions to pay, at least temporarily.
Massachusetts	Institution/Program	Institution of higher education bears the costs of program review.
New York	Joint (Institution and State)	Institutions pay an annual fee of \$1,000 to partially defray direct costs of accreditation function. Institutions also provide funds to the Department of Education to cover expenses related to accreditation reviews such as pre-visits, team visits, and expert reviews of curricular content.
North Carolina	State	NCATE is mandatory in this state as is state accreditation. The state pays the expenses of state team members, institutions are not responsible for the costs of state accreditation, but are responsible for NCATE visits. Institution pays for the NCATE BOE team. Costs for state accreditation is embedded in the agencies budget for travel and subsistence; there is no specific annual allotment for accreditation services.
Pennsylvania	Institution/Program	
Texas	Not Applicable (Institution pays for intervention costs)	Because accreditation is based only upon pass rates on statewide assessments, and no site visits, there are few costs except that related to the technology used to compile annual test results. If an institution is deemed to require intervention (technical assistance) due to low pass rates, the institution of higher education is required to assume those costs.
Washington	State through Teacher Certification Fees	Teacher License fees differ depending upon type of credential – initial versus continuing. State law establishes that initial certification fees are used solely for precertification preparation, program evaluation, and professional inservice training programs.

Alternatives Options For Funding Accreditation Activities In California

An unallocated reduction to the Commission’s budget would require that the Commission consider options and alternatives to accreditation activities in California. Three possible options are identified and discussed briefly below.

1) NCATE-Only Accreditation in California

Moving to an NCATE-only model would be a major policy shift in California with significant implications. The two systems differ in significant ways. These differences are summarized in the chart below.

	NCATE Accreditation	State Accreditation
Purpose	<p>National Recognition, national prestige and acknowledgement that institution meets set of national standards of program quality and effectiveness.</p> <p>Requires all institutions seeking NCATE accreditation be recognized or accredited by the state in which it operates.</p>	<p>State approval to offer programs leading to certification/licensure to teach in California public schools.</p> <p>Quality assurance that programs are meeting state expectations for licensure of educators.</p>
Body Responsible/Authority	Nationally Recognized Accrediting Body (Recognized by USDE)	Commission on Teacher Credentialing, Education Code Sections 44371-44274
Voluntary or Mandatory?	<p>Voluntary.</p> <p>A few states have required for all its institutions or only state-supported institutions</p>	<p>Mandatory for all programs leading to certification/licensure in California (including district-based).</p> <p>Vast majority of states require a state approval process, and allow national accreditation as optional.</p>
Entity Reviewed	Educational unit-based, some specialized programs	Educational unit as a whole and individual programs
Standards	<p>Nationally recognized unit standards in areas such as design of curriculum, assessment of candidate performance, faculty qualifications, supervision of clinical experiences, and adequate and up-to-date resources.</p> <p>Require that program specialty areas submit to national standards in each</p>	<p>CCTC adopted “Common Standards” which outline standards for the educational unit as a whole, comparable to the NCATE unit standards.</p> <p>CCTC adopted program standards, that include</p>

	area unless superceded by state partnership agreement. (In California, institutions are exempted from this process because of the state process).	standards designed specifically to meet the educational context and challenges of California public schools, are aligned with K-12 academic content standards and the California Standards for the Teaching Profession.
Programs or Institutions Currently Accredited	18 currently NCATE accredited institutions in California, 5 seeking NCATE approval. No University of California programs are NCATE accredited or seeking NCATE accreditation. No district intern programs are NCATE accredited.	85 institutions or districts are approved, offering programs leading to the California teaching credential.

Issues arising from moving to NCATE only system in California.

Because of the significant differences in the two systems, a few challenges present themselves with a proposal to eliminate state accreditation and substitute a requirement that all institutions offer NCATE accreditation. First, such an action may be inconsistent with the Commission's statutory mandate that it assures program quality through an accreditation process (Education Code Sections 44370-44374). Statutory change would likely be required.

In addition, NCATE requires that all institutions seeking NCATE accreditation are recognized in the state in which they operate, denoting the need for some form of state recognition process. A few states mandate NCATE accreditation for either all their institutions offering educator preparation programs or for state-supported institutions offering educator preparation programs, however, the vast majority of states require a state approval process, and allow national accreditation on an optional basis for institutions.

As noted in the chart above, the Commission's accreditation system examines both the educational "unit" as a whole, as NCATE does, and also California program standards. The Commission has adopted a set of Common Standards, which it has determined are comparable to NCATE's unit accreditation standards. California's review also examines how well an institution is meeting individual program standards designed specifically to meet California's unique educational needs. The Commission has adopted Standards of Quality and Effectiveness for Teacher Preparation Programs and numerous specific program standards for California. NCATE reviews do not examine how well an institution is meeting California's standards of program quality and effectiveness.

Initial program approval allows the Commission to examine how an institution either currently meets the standard or is planning to meet the standard. However, continuing

accreditation reviews allow teams to determine through review of evidence whether, in fact, an institution is meeting the program standards for California. An NCATE only review would provide no assurance that the institution is meeting California standards. There would be no vehicle to ensure attention to standards determined by the Commission to be important for the unique educational context of California public schools. Enforcement of those standards would be limited significantly.

Potential impact of change on non-nationally accredited institutions.

A total of 85 institutions of higher education or districts offer educator preparation programs in California. Currently, only 18 institutions of higher education in California are accredited by NCATE (14 are CSUs and 4 are independent institutions). An additional five institutions (2 CSUs and 3 independent institutions) are seeking NCATE accreditation. No University of California programs are currently accredited, nor are district intern programs.

Moving to an NCATE only model changes the nature of voluntary national accreditation. Further legal research would be advisable before moving in this direction particularly as it relates to mandating national accreditation for the University of California, which is constitutionally autonomous, and for independent institutions. Additionally, the financial implications of mandating national accreditation could be significant for institutions currently not nationally accredited, particularly the smaller independent institutions. The result may be a smaller number of programs offered in California as institutions decide not to seek national accreditation. Teacher supply issues could be affected.

2) *Institutions Cover the Cost of Accreditation*

The cost of accreditation activities could be transferred from the Commission to the institution seeking state accreditation. Some states have adopted this model. On at least two occasions, the Commission has considered this option and rejected it. Historically California has avoided this option for two primary reasons. First, accreditation (and program approval) has been considered a state function and hence, costs associated with it have come from the Commission's base budget. Second, by having the state assume the costs, it avoids any danger, either real or perceived, of the accreditation team having been co-opted by the institution or having "bought" its way through the accreditation process. This is not entirely unavoidable. New York, for example, requires institutions to pay an annual fee to the state agency to partially defray the costs of accreditation function. In this way, no funds are directly exchanged between the institution and the team members doing the review.

This option presents a challenge as it relates to district operated intern programs. If the districts were required to cover the cost of the accreditation process, it may raise the issue of an un-funded mandate and be open to a legal challenge of that nature.

For institutions of higher education, the challenge would be to find the necessary resources to cover the additional costs. While some institutions could easily incorporate the additional costs into their annual budgets, others may find it particularly challenging.

